



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

OCT 05 2015

CERTIFIED MAIL NO. 7001 0320 0002 0254 4561
RETURN RECEIPT REQUESTED
IN REPLY: ENF-2-1

Peter S. Stockhausen
Senior Vice President of Refining
Lunday-Thagard Company
9302 Garfield Avenue
South Gate, California 90280

Re: Clean Air Act Information Request
Lunday-Thagard Company's Refinery

Dear Mr. Stockhausen:

The United States Environmental Protection Agency, Region IX ("EPA") is investigating Lunday-Thagard Company's refinery located in South Gate, California ("Refinery"). The purpose of EPA's investigation is to determine whether the Refinery has been and is in compliance with the applicable requirements of the Clean Air Act (the "Act"), 42 U.S.C. §§ 7401 to 7671q. To this end, EPA hereby requires Lunday-Thagard Company ("Company"), pursuant to Section 114 of the Act, to provide to EPA the information and documents as requested below. In responding to this request, please use the instructions provided in Enclosure 1.

1. Is the information included in Table 1 below correct? If not, provide the correct information.

TABLE 1

NO.	INFORMATION REQUESTED	
1.a	OFFICIAL REFINERY NAME	LUNDAY-THAGARD COMPANY
1.b	REFINERY LOCATION/ADDRESS	9301 GARFIELD AVENUE, SOUTH GATE, CALIFORNIA 90280
1.c	DATE REFINERY CONSTRUCTION COMMENCED	1937
1.d	DATE REFINERY OPERATION COMMENCED	1937
1.e	CURRENT REFINERY OWNER	WORLD OIL CORP.
1.f	DATE CURRENT REFINERY OWNERSHIP COMMENCED	1937
1.g	CURRENT REFINERY OPERATOR	LUNDAY-THAGARD COMPANY

1.h	DATE CURRENT OPERATOR COMMENCED OPERATING REFINERY	1937
1.i	COMPANY HEADQUARTERS ADDRESS	9302 GARFIELD AVENUE, SOUTH GATE, CALIFORNIA 90280
1.j	COMPANY'S STATE OF INCORPORATION	CALIFORNIA
1.k	COMPANY'S PARENT CORPORATION	WORLD OIL CORP.

2. Provide a current process flow diagram for the Refinery as a whole and each process unit at the Refinery (including units under construction or planned for construction), and a current detailed plot plan of the Refinery.
3. Provide a copy of the Refinery's current Title V permit, as well as the associated statement of basis.
4. Provide a copy of the Refinery's initial Title V permit application and any renewal Title V permit applications.
5. Provide copies of the Refinery's annual Title V permit compliance certifications that address compliance in the years 2011, 2012, 2013, 2014, and 2015.
6. Provide copies of all of the Refinery's semiannual reports that occurred within the period from January 1, 2011, to the present, including, but not limited to, all semiannual reports required pursuant to the Refinery's Title V permit, all semiannual reports of required monitoring (including, but not limited to, the monitoring for tanks, heaters, or incinerators), and all semiannual reports required pursuant to 40 C.F.R. Part 60, Subparts A, Dc, J, Ja, K, Ka, Kb, UU, VV, VVa, GGG, GGGa, or QQQ.
7. Provide copies of all of the Refinery's Title V permit reports of deviations from Title V permit conditions that address deviations that occurred within the period from January 1, 2011, to the present.
8. Provide copies of all findings or notices of violation or of noncompliance, all notices or orders to comply (including, but not limited to, orders of abatement), and all complaints (administrative or civil) that a local air agency, State, or EPA issued to the Refinery for alleged violation of or alleged noncompliance with local, State, or EPA air laws, regulations, rules, permits, or orders that occurred at the Refinery within the period from January 1, 2011, to the present.
9. Provide copies of all 40 C.F.R. Section 63.10(b)(3) applicability determinations, including all supporting documentation (e.g., the company's calculations that show the facility's potential to emit hazardous air pollutants).
10. Provide copies of all documents the Refinery prepared and/or submitted to a local air agency, State, or EPA to demonstrate compliance with 40 C.F.R. Part 63, Subpart AAAAAA, including but not limited to (i) initial notifications; (ii) notifications of intent to conduct compliance/performance tests; (iii) notifications of compliance status (including compliance test results and/or, per 40 C.F.R. § 63.11564(a)(6), test data of previously-conducted emission tests); (iv) semiannual compliance reports; (v) documentation that identifies the operating

parameters and values (including the data used to establish the values) required by 40 C.F.R. § 63.11564(c)(4); (vi) site-specific monitoring plans; and (vii) records of all operating parameter values demonstrating continuous compliance (including, but not limited to, continuous parameter monitoring system inspection, calibration, and validation checks; and accuracy checks and visual inspections of temperature monitoring devices).

11. With regard to the Refinery's petroleum liquids or volatile organic storage vessels (including, but not limited to, crude oil, asphalt, or intermediate distillate tanks), provide all of the following:

- a. A diagram indicating which storage vessels are vented to a specific incinerator and/or loading rack, and indicating the location and type of all monitoring devices.
- b. Copies of all engineering or feasibility studies after 1997 regarding the planning, construction, or operation of the Refinery's storage vessel.
- c. The dates (i) when construction of each storage vessel commenced and when it was completed; (ii) when operation of each commenced; (iii) whether it has been modified or reconstructed (when applicable, its dates); and (iv) contents for which its use had been permitted by the District.
- d. Copies of all of the following documents submitted to or received from a local air agency, State, or EPA from 1997, to the present, that address the Refinery's storage vessels: (i) all non-Title V air permits or orders; (ii) all non-Title V air permit or order applications; and (iii) all correspondence related to such non-Title V air permit or order applications. "Non-Title V air permits or orders" include, but are not limited to, authorities to construct and permits to operate.
- e. For each storage vessel that has a throughput limit or temperature limit, identify each vessel with its applicable limit(s), and provide copies of records of throughput and temperature measurements for each beginning in January 1, 2011, to the present to demonstrate its compliance or noncompliance status.
- f. For each storage vessel that had been required to record true vapor pressures, provide copies of records of such measurements associated with each vessel from January 1, 2011, to the present.
- g. For each occurrence from January 1, 2011, to the present of storage vessel or loading emissions not being vented to the incinerator for processing, the date, start time, end time, and duration of such occurrence.

12. With regard to the Refinery's incinerators, provide all of the following:

- a. A diagram of each fuel gas system at the Refinery that shows:
 - (1) The origin of each process or waste stream contributing to the fuel gas system;
 - (2) All points of collection and mixing of fuel gas;

- (3) The location of all analyzers measuring sulfur content whether installed as a continuous monitoring system or for process purposes; and
- (4) The location of all fuel gas treatment processes (including, but not limited to, sulfur treatment).
- b. A piping and instrumentation diagram for the fuel gas streams, showing locations of each pressure or flow measurement, knockout drum, and water seal.
- c. A list of all gas streams that are routed to each incinerator on a continuous or intermittent basis. In this list, include at least the actual volume of each stream that is burned in each incinerator and the sulfur content of each stream.
- d. With regard to sustaining the minimum operating temperature of an incinerator, the proper procedures by which the incinerator and its associated loading racks should be operated.
- e. A statement whether it is possible to operate the loading rack while the incinerator is inoperative or does not sustain its minimum operating temperature, and provide a brief description of the ways in which the incinerator may be bypassed or fail to sustain its minimum operating temperature while the loading rack is operating. In addition, for each occurrence since January 1, 2011, the date, start time, end time, and duration of any bypass of the incinerator or of any occurrence where the temperature had fallen below its minimum operating temperature.
- f. A list of all Refinery fuel gas streams that are subject to the 40 C.F.R. Part 60, Subpart J hydrogen sulfide (H_2S) standard, but are not continuously monitored for H_2S concentration using an H_2S continuous monitoring system. In addition, an explanation how such streams are monitored to demonstrate compliance with the H_2S standard.
- g. Provide a list of each instance where a new line or larger line was tied in to each incinerator since January 1, 2008, that includes the following:
 - (1) Identify the parts of the gas collection system;
 - (2) State the maximum and average flows of gas added to the gas collection system (in scfm);
 - (3) State whether the gas supplied by the new or larger line contains any sulfur and provide the expected average and maximum H_2S , COS, and CS_2 concentrations in the gas; and
 - (4) State the date that the new or larger line was tied in to the incinerator.
- h. Copies of all engineering or feasibility studies regarding the construction, modification, or operation of any incinerators since January 1, 1997.
- i. Copies of all fuel gas capacity studies conducted at the Refinery and all studies on fuel gas heat content conducted at the Refinery.
- j. A description of the local air agency approved methods the Refinery applies to calculate the incinerator exhaust gas flow rate used in calculating the daily VOC emissions from the

incinerator, the incinerator daily VOC emission concentration, and the 15-minute sulfur compound concentration.

- k. Copies of all current standard operating procedures and the current incinerators' operating manuals.
 - l. Copies of all incinerator source test protocols and source test results for source tests conducted since January 1, 2011 (including, but not limited to, the incinerator stack gas flow rate). For each test, state whether the test was conducted to comply with a federal, state, or local testing requirement and provide a reference to such testing requirement.
 - m. The following daily data from January 1, 2011, to the present (in an Excel formatted electronic file): (i) incinerator exhaust daily VOC emissions (in pounds per day); and (ii) loading rack volumes (in long-tons per day).
 - n. Copies of all firing rate data and temperature monitoring data from January 1, 2011, to the present during each applicable time period as they related to the permit limits for each incinerator.
 - o. Copies of all daily average data (in an Excel formatted electronic file) for the flow of gas to each of the incinerator (in pounds per hour and scfm) from January 1, 2011, to the present.
 - p. Copies of all daily average data for the concentration of H₂S in the gas combusted in each incinerator (in ppm by volume) from January 1, 2011, to the present when a flow monitor was in use.
 - q. Copies of all documents that the Refinery prepared and/or submitted to local air agency, State, or EPA to demonstrate compliance with the requirements of 40 C.F.R. Sections 60.18 or 63.11 since the incinerators became subject to any 40 C.F.R. Part 60 or 63 requirements.
 - r. Copies of all refinery permit deviation reports that the Refinery prepared and/or submitted to a local air agency, State, or EPA regarding either an incinerator or a loading arm since January 1, 2011.
 - s. For each startup or shutdown of each incinerator since January 1, 2011, the date, start time, end time, and duration of the startup or shutdown period. Indicate those startups or shutdowns that occur when the storage vessel or its associated loading rack is operating but the incinerator is not operating.
13. With regard to the operation of the Refinery's incinerators or heaters, provide copies of all of the following:
- a. The dates (i) when construction of each incinerator or heater commenced and when each was completed; (ii) when operation of each commenced; (iii) whether the incinerator or heater has been modified or reconstructed (when applicable, its dates); (iv) when a continuous monitoring system was installed for each incinerator to monitor H₂S concentration in the gas burned; (v) when each heater became capable of burning offsite/purchased natural gas; and (vi) when each heater first began to burn offsite/purchased natural gas.

- b. All of the following documents submitted to or received from a local air agency, State, or EPA from January 1, 1997, to the present, that address the Refinery's incinerators or heaters: (i) all non-Title V air permits or orders; (ii) all non-Title V air permit or order applications; and (iii) all correspondence related to such non-Title V air permit or order applications. "Non-Title V air permits or orders" include, but are not limited to, authorities to construct and permits to operate.
- c. All daily average data (in an Excel formatted electronic file) for the volumetric flow of offsite/purchased natural gas to each heater (in pounds per hour and scfm) from January 1, 2012, to the present, including a description of how such flow is measured and calculated.

The Company shall submit its response to this information request postmarked no later than **December 15, 2015**. All information submitted in response to this request must be certified in a signed, separate statement as true, correct, accurate, and complete, to the best of his/her knowledge, by an individual with sufficient knowledge and authority to make such representations on behalf of the Company (see Enclosure 2).

All Company responses must be signed by a responsible corporate official of Lunday-Thagard Company (i.e., a president, secretary, treasurer, or vice-president of Lunday-Thagard; a senior management representative at the Refinery; or any person who performs similar policy or decision-making functions for Lunday-Thagard).

If the Company seeks to withhold any document(s) based on a claim of attorney-client communications privilege or the attorney work product doctrine in its response to this information request, the Company shall provide with its response a privilege log for each document containing the following information: (i) the date, author(s), every individual to whom the document was originally sent, every individual who subsequently acquired the document, the purpose for which the document was sent to or obtained by those individuals, and the employment titles of the authors and recipients; (ii) the subject matter of the document; (iii) the privilege claimed for the document and all facts supporting the claim of privilege; (iv) the primary purpose(s), including the business purposes, for which the document was made; (v) the question(s) in this information request to which the document is responsive to; and (vi) all facts contained in the document that are responsive to a question in this information request.

The responsive information shall be accompanied by a cover letter sent via certified mail with return receipt requested to the following address:

Ms. Kathleen H. Johnson
Director, Enforcement Division
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

Attn: Andrew Chew (ENF-2-1)

Please be advised that under Section 113(a) of the Act, 42 U.S.C. § 7413(a), failure to provide the information and documents required by this letter may result in an order requiring compliance, an order assessing an administrative penalty, or a civil action for appropriate relief. Section 113(b) of the Act,

42 U.S.C. § 7413(b), provides for the assessment of a civil penalty, which has been adjusted for inflation to \$37,500 per day, for each violation of the Act (see 40 C.F.R. § 19.4 for penalties effective after January 12, 2009). In addition, Section 113(c) of the Act, 42 U.S.C. § 7413(c), provides criminal penalties for knowingly making any false material statement in, or omitting material information from, any report required under the Act. The information provided by the Company may be used by the United States in administrative, civil, or criminal proceedings.

You may, if you desire, assert a confidential business information ("CBI") claim on behalf of the Company covering part or all of the information provided to EPA in response to this letter. Any such CBI claim must conform to the requirements set forth in 40 C.F.R. Part 2, particularly

40 C.F.R. § 2.203. You are advised that certain information may be made available to the public pursuant to Section 114(c) of the Act, 42 U.S.C. § 7414(c), and 40 C.F.R. § 2.301, notwithstanding a claim that such information is entitled to confidential treatment. Please note that emission data provided pursuant to Section 114 of the Act, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. Emission data is defined at 40 C.F.R. § 2.301(a)(2). If no claim of confidentiality is received with your reply, the information may be made available to the public without notice to the Company.

This information request is not subject to review by the Office of Management and Budget under the Paperwork Reduction Act because it is not the "collection of information" within the meaning of 44 U.S.C. §§ 3502(3) and 3518(c)(1), since it is being directed to fewer than ten persons or entities and is being issued during the conduct of an investigation involving the EPA against specific individuals or entities. See also 5 C.F.R. §§ 1320.3(c) and 1320.4.

We would also like to take this opportunity to advise you that the Company may qualify as a "small business" under the Small Business Regulatory Enforcement and Fairness Act ("SBREFA"). Please review the enclosed SBREFA Information Sheet, which is designed to provide information on compliance assistance to entities that may qualify as small businesses as well as to inform them of their right to comment to the SBREFA Ombudsman concerning EPA's enforcement activities. Please be aware that SBREFA does not eliminate the Company's responsibility to respond in a timely fashion to any complaint or information request that EPA may issue or other enforcement action that EPA may take, nor does SBREFA create any new rights or defenses under the law other than the right to comment to the SBREFA Ombudsman.

If the Company anticipates that it will not be able to respond fully to this request within the time period specified, the Company must submit a sworn declaration by a responsible corporate/government official within fifteen (15) calendar days after receipt of this letter specifying what information will be provided by the allotted deadline, describing the efforts that have been/are being undertaken to obtain the remaining other responsive information, and providing a detailed schedule of when such other responsive information will be provided. Upon receipt and based upon such declaration, EPA may extend the time in which to respond to this information request. Also, please contact EPA if the Company determines that a full response to a particular request for information would require the submission of an extremely large number of documents. Based upon such notification, EPA may modify the scope of the documents required to be produced.

If you have any questions regarding this request, please contact Andrew Chew of my staff at (415) 947-4197 or your attorney can contact Thomas Mintz, Office of Regional Counsel, at (415) 972-3896. Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kathleen H. Johnson', with a long horizontal flourish extending to the right.

Kathleen H. Johnson
Director, Enforcement Division

Enclosures

cc: Mohsen Nazemi, SCAQMD

ENCLOSURE 1: Instructions

1. All responsive documents that are not in an electronic format must be:
 - a. provided as an accurate and legible copy in a searchable PDF file format;
 - b. submitted on a disk (CD or DVD media); and
 - c. number stamped in sequential order (BATES stamped).
2. All responsive documents in an electronic format, such as XL spreadsheets, can be produced in that format.
3. All responsive documents shall be submitted as an attachment to a letter postmarked no later than **December 15, 2015**.
4. Prepare a cover letter that includes a written response to all requests referencing the request number to which each answer or document pertains. In addition, attach to the cover letter the signed certification by a corporate/government official with authority to make such representations for the Company, described in the body of the above information request letter.
5. To the extent that the Company has no responsive information or documents for any particular request, this must be explicitly stated in the response.
6. Where documents or information necessary for a response are neither in your possession nor available to you, indicate in your response why such documents or information is not available or in your possession and identify any source that either possesses or is likely to possess such information.
7. To the extent that a document is responsive to more than one request, this must be so indicated and only one copy of the document need be provided.

ENCLOSURE 2: Certification

[This Certification is for signature by the president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or another executive with authority to perform similar policy or decision-making functions of the corporation.]

Lunday-Thagard Company ("the Company") is submitting the enclosed documents in response to the U.S. Environmental Protection Agency's ("EPA's") request for information, issued pursuant to Section 114(a) of the Clean Air Act, to determine whether the facility is in compliance with the Clean Air Act.

I certify that I am fully authorized by the Company to provide the above information on its behalf to EPA.

I certify under penalty of law that I have personally examined and am familiar with the statements and information submitted in the enclosed documents, including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true, correct, accurate and complete. I am aware that there are significant penalties for submitting false statements and information, or omitting required statements and information, including the possibility of fines and imprisonment for knowing violations.

Date:

Name (Printed):

Signature:

Title:
